IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION.

INCOME TAX APPLICATION No.24 of 2002.

The C.I.T.B.C.VI, Bombay. .. Applicant.

Vs.

M/s. S.P.G. Fine Chemicals ..Respondent.

Mr Ashok Kotangale with P.S. Sahadevan
for the Applicant.

Mr P. S. Pardiwalla with S.G.Lakhani
for the Respondent.

CORAM:DR.S. RADHAKRISHNAN
AND V.C. DAGA,JJ.
DATED:26TH MARCH, 2007.

P.C.:-

1. Heard the learned counsel for the applicant and the learned counsel for the respondent.

2. In the above application no substantial question is sought to be raised :-

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in allowing deduction of Rs. 8,18,900/- being statutory liability under the Drugs (Price Control) Act, 1979, notwithstanding the fact that the liability was held to be of contingent nature and therefore the assessee had not complied with the provisions of Section 43B of the Income Tax Act."

3. The above application pertains to assessment year 1983-84. We have also perused order of the Commissioner of Income Tax dated 17th July, 1992; wherein the Commissioner of Income Tax has stated that the the liability had neither been quantified nor paid and thus it is prima facie covered under Section 43B of the I.T.Act, 1961. However, the learned counsel for the applicant fairly conceded that the said Section 43B of the Income Tax Act was introduced only with effect from 1st April, 1984 and the same is not applicable for the assessment year 1983-84.

4. Under the aforesaid facts and circumstances, we are not inclined to entertain the application. The application is dismissed.

(V.C. DAGA,J.) **(DR.R. RADHAKRISHNAN,J.)**